

Exhibit D

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Lakewood schools' \$30M promised by Murphy cut from Sweeney budget

Lakewood schools' \$30M promised by Murphy cut from new Sweeney budget

Stacey Barchenger, Asbury Park Press Published 5:00 a.m. ET June 19, 2019 | Updated 3:14 p.m. ET June 19, 2019

Lakewood schools will not receive an additional \$30 million state funding (</story/news/education/2019/03/13/lakewood-nj-schools-30-million-state-bailout-no-loan-budget/3147730002/>) next year under a budget introduced by the Legislature.

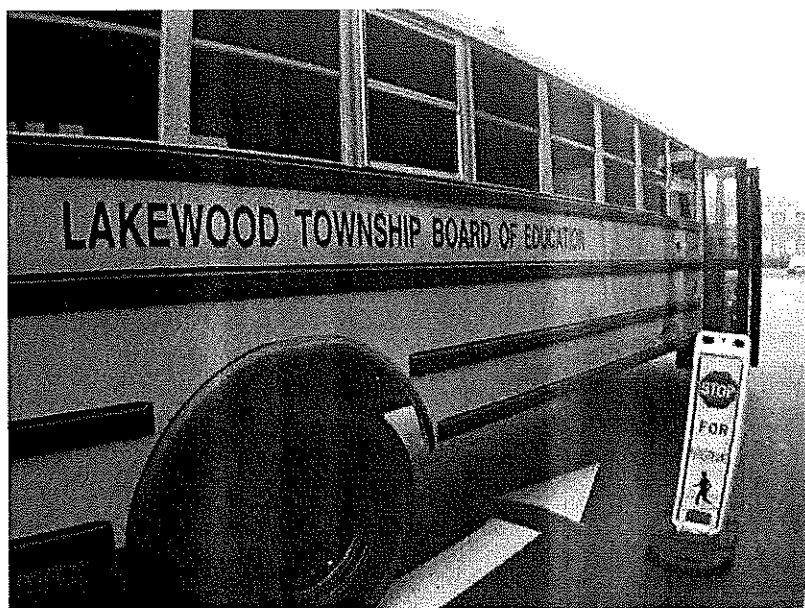
The budget bills axed language proposed by Gov. Phil Murphy that applied only to Lakewood (</story/news/education/2019/03/13/lakewood-nj-schools-30-million-state-bailout-no-loan-budget/3147730002/>) and would have funneled millions more to the cash-strapped school district for transportation, special education and other uses.

The Lakewood Board of Education had been banking on that funding, although leaders previously said an additional loan of nearly \$13 million also might be necessary to repay past loans and an additional \$4.2 million bill for special education from the School for Children with Hidden Intelligence.

More Lakewood news: Lakewood scholar gets \$25K for college; dreams of helping low-income kids (</story/news/education/2019/02/21/lakewood-scholar-gets-25-k-college-dreams-helping-needy-kids/2917603002/>)

To learn more about Lakewood High School's Malachi Sutton's dreams, watch the video at the top of this story.

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A simple solution for preventing the projected huge teacher layoff in the Lakewood public schools would be to eliminate all courtesy busing. (Photo: file photo)

Want to know more about what's happening in Lakewood? Please consider subscribing today (<https://offers.app.com/specialoffer>) for all our coverage of the Shore's fastest-growing town (</story/news/investigations/watchdog/investigations/2019/04/15/lakewood-nj-growth-business-office/2701306002/>).

With the 2019-2020 school year beginning July 1, it is unclear what the district would do if the funding doesn't come through.

"The Lakewood school district would be decimated without the funding," Superintendent Laura A. Winters said.

"We're speaking to (Senate President Stephen Sweeney) and we're speaking to people in Trenton that had promised us the money."

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Lakewood Schools Superintendent Laura A. Winters is shown during an interview at Lakewood High School Tuesday, May 16, 2017. (Photo: Thomas P. Costello)

Lawmakers are expected to [return to Trenton on Thursday to vote on the budget \(/story/news/new-jersey/2019/06/17/nj-budget-2019-shutdown-possible-democrats-cut-millionaires-tax/1475744001/\)](#), sending it to Murphy's desk. Sweeney, D-Gloucester, suggested the additional funding for Lakewood schools was still a possibility, but that he wanted more information from the Department of Education about why Lakewood needed the money.

"The number just dropped," Sweeney said of the \$30 million. "When they just threw it out there, there wasn't a whole lot of conversation with the Legislature of what it means and what it is."

A spokeswoman for the governor reiterated the additional funding was necessary to provide stability in the district.

"The governor remains committed to working with the Legislature to address the needs of our school districts, but simply withdrawing much needed support is not the answer to the challenges present in Lakewood," press secretary Alyana Alfaro said in a statement.

The Lakewood Board of Education is scheduled to meet at 6:30 p.m. Monday.

More: [Lakewood: Expert mediators came to town; here's what they found \(/story/news/local/communitychange/2019/06/03/lakewood-nj-mediators-came-town-heres-what-they-found/1286557001/\)](#)

More: [NJ Orthodox: Want to help combat hate? Here's how to get involved \(/story/news/local/communitychange/2019/06/18/nj-orthodox-lakewood-get-involved-how-to/3631853002/\)](#)

Another loan on deck?

Before the governor revealed his proposal for additional aid for Lakewood, the district's business administrator suggested the climbing deficit could require a \$40 million loan for 2019-2020. That's in addition to \$46 million in loans the district has taken out in recent years.

Repaying those loans and an additional \$4.2 million special education bill from the School for Children with Hidden Intelligence prompted the district to announce in May it may request a nearly \$13 million loan from the state. Winters said Tuesday the district was asking to defer those repayments and the loan may not be necessary.

The public school district pays to send about 200 children each year to the School for Children with Hidden Intelligence, to which [Murphy also has donated \(/story/news/crime/jersey-mayhem/2018/06/29/phil-murphy-gave-thousands-lakewood-nj-schi-lawyer-says/731867002/\)](#).

The special education school's bill is for the 2017-2018 school year, and it is dated in January, one month before the school's founder was found guilty of money laundering and misconduct during a criminal trial. [Rabbi Osher Eisemann \(/story/news/crime/2019/04/29/lakewood-nj-schi-founder-sentence-60-days-jail-probation-money-laundering-case/3540401002/\)](#), the school's founder, was also acquitted of [three counts alleging the stole public funds \(/story/2929593002/\)](#) meant for students at the school.

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More: [Toms River to pay \\$1.1M for private school rides, mostly to Lakewood Orthodox schools \(/story/news/education/in-our-schools/2019/05/22/toms-river-private-school-transportation-lakewood-orthodox/3747065002/\)](https://www.app.com/story/news/education/in-our-schools/2019/05/22/toms-river-private-school-transportation-lakewood-orthodox/3747065002/)

Lakewood school leaders have for years petitioned the Department of Education for more cash and recognition that the state funding formula, which allocates money per pupil, doesn't work in the Ocean County township because the district is also obligated to pay for things such as transportation tens of thousands of private school students. Busing those children, most of whom attend Orthodox Jewish schools, and providing special education are more than 40 percent of the public schools' \$184 million budget.

District business administrator Robert Finger has credited [Arthur Lang, a Lakewood High School math teacher \(/story/news/education/2019/03/13/lakewood-nj-schools-30-million-state-bailout-no-loan-budget/3147730002/\)](https://www.app.com/story/news/education/2019/03/13/lakewood-nj-schools-30-million-state-bailout-no-loan-budget/3147730002/), for winning the additional funding earmarked by Murphy. Lang has spent years in administrative law hearings arguing [\(/story/news/education/2018/08/20/lakewood-schools-budget-crisis-lawsuit-arthur-lang-alcantara/975628002/\)](https://www.app.com/story/news/education/2018/08/20/lakewood-schools-budget-crisis-lawsuit-arthur-lang-alcantara/975628002/) the funding formula did not provide Lakewood students a thorough and efficient education, winning a [favorable ruling from a judge earlier this year \(/story/news/education/2019/01/09/lakewood-nj-schools-judge-funding-formula-case-unconstitutional/2515199002/\)](https://www.app.com/story/news/education/2019/01/09/lakewood-nj-schools-judge-funding-formula-case-unconstitutional/2515199002/).

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